

BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

In the matter of:

Numbering Resource Optimization

CC Docket 99-200

Implementation of the Local  
Competition Provisions of the  
Telecommunications Act of 1996

CC Docket No. 96-98

**REPLY COMMENTS OF THE CALIFORNIA PUBLIC UTILITIES  
COMMISSION AND OF THE PEOPLE OF THE STATE OF CALIFORNIA  
ON ITS PETITION FOR AUTHORITY TO IMPLEMENT  
SPECIALIZED OVERLAY AREA CODES**

**I. INTRODUCTION**

The California Public Utilities Commission and the People of the State of California (California or CPUC) submit these Reply Comments to the Federal Communications Commission (FCC or Commission) on our Petition for Authority to Implement Specialized Overlay Area Codes (Petition), filed October 6, 2003. On October 16, 2003, the Commission released a Public Notice (DA 03-3262) seeking comments on the Petition. In accordance with the Public Notice, CPUC herein responds to a number of issues raised by the incumbent local exchange carriers, competitive local exchange carriers, and other telecommunications service providers in their Comments.

As stated in our Petition, the CPUC requests authority from the Commission to implement two specialized overlay (SO) area codes that would cover the entire state of California. One SO would be implemented over the northern part of California covering 530, 707, 415, 510, 925, 650, 408, 831, 209 and 916 numbering plan areas (NPAs). The other SO would be implemented over the southern part of California covering 760, 559, 661, 805, 619, 858, 818, 213, 310, 323, 562, 626, 714, 959 and 909 NPAs.

## **II. DISCUSSION**

### **A. OnStar**

OnStar states in its Comments that its Personal Calling service is a geographically sensitive service and thus this service should not be included in the SOs. While its earlier generations of hardware design only encompassed a call-center based service, which is non-geographically based, OnStar states that its newer, recent hardware design also includes a conventional wireless calling service called “OnStar Personal Calling” (OPC).<sup>1</sup> OnStar asserts that its OPC customers receive geographically based telephone numbers that are associated with the customer’s home or business.<sup>2</sup>

The CPUC’s SO proposal is intended to primarily include transparent or non-geographic based numbers, with the exception of wireless/cellular services. Thus, if indeed, OnStar’s OPC service is a “traditional” cellular service, that is geographically sensitive and competes directly with other traditional, hand-held wireless calling services,

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<sup>1</sup> Comments of OnStar Corporation, pp. 2-3.

<sup>2</sup> Id. at p. 4.

it would not be included in the SOs. However, with respect to OnStar's call-center based service, since this service is not geographically sensitive, it would be included in the SOs.

## **B.     Paging Service**

Verizon Wireless and Joint Paging Commenters oppose our proposal to include paging companies in the SOs. Verizon Wireless states that the paging industry is experiencing little to no overall growth.<sup>3</sup> It also states that paging companies offer geographically sensitive services that will be harmed by taking-back of customer's telephone numbers.<sup>4</sup> Joint Paging Commenters assert that paging services are neither transparent nor non-geographic and that they are not functionally or operationally similar to the services subject to the SO.<sup>5</sup> Although we have included paging companies in our SO Petition, we have yet to determine whether they will, in fact, be included in the SOs. This is precisely because we recognize that there has been no real growth in the paging market and because the paging companies are currently exempt from number pooling. The CPUC plans to further evaluate the benefits of including the paging companies into the SOs versus the burden such inclusion would place on the industry before deciding whether the paging companies would, indeed, be included in the SOs.

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<sup>3</sup> Opposition of Verizon Wireless, pp. 2-3.

<sup>4</sup> Id.

<sup>5</sup> Joint Paging Commenters Comments, p. 3. Joint Paging Commenters include Allied National Paging Association, American Association of Paging Carriers, Arch Wireless Operating Co. Inc., Metrocall Holdings, Inc., and Weblink Wireless LLP.

### **C. Wireless Service**

Verizon Wireless states that the Petition is unclear as to whether the cellular, PCS or CMRS providers would be included in the SO proposal.<sup>6</sup> It asserts that these services should not be included in the SOs. The CPUC reaffirms here that its SO proposal does not include wireless services (cellular, PCS or CMRS). The SO proposal only includes the following transparent, non-geographically-based services: E-fax, automatic teller machines (ATMs), point-of-sales, OnStar's call-center based service, business modems or fax machines for customers with fifty or more access lines, Internet telephony/voice over Internet Protocol (VoIP), dial-up number for Internet Service Providers, and paging companies<sup>7</sup>.

California Cable & Telecommunications Association (CCTA), on the other hand, states that it is surprised by the fact the CPUC's proposal does not include cellular/wireless services because it asserts that these services are non-geographically based.<sup>8</sup> In our first SO/ technology-specific petition submitted to the FCC<sup>9</sup>, our proposal included wireless/cellular services. Citing costs, customer confusion, and technical challenges, among other factors, the wireless industry strongly objected to the CPUC's proposal and urged the FCC to reject it. Although our current SO proposal does not include wireless/cellular services, if the FCC determines that they should be included in

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<sup>6</sup> Opposition of Verizon Wireless, p. 3.

<sup>7</sup> See subsection B for discussion on paging service.

<sup>8</sup> Comments of California Cable & Telecommunications Association (CCTA), p. 10.

<sup>9</sup> See Petition of the CPUC for Authority to Implement Technology-Specific Overlay Area Codes, dated September 25, 2002.

the SOs for the sake of the consistency CCTA identifies, the CPUC certainly would not object to including them in the SOs.

**D. VoIP and Dial-up Number for ISPs**

CCTA asserts that VoIP services should not be included in the SOs. It asserts that “the Federal Communications Commission (FCC) must not permit states to implement area code relief policies based on VoIP services until such time as the Commission has completed a meaningful and sufficiently comprehensive investigation of VoIP.”<sup>10</sup>

AT&T similarly asserts that “California should not be permitted to include VoIP technology into an area code overlay unless and until the implications of emerging VoIP services are better understood and Commission’s forthcoming investigation into the appropriate means of regulating VoIP has been completed.”<sup>11</sup>

AT&T also asserts that VoIP services are geographically sensitive.<sup>12</sup> MCI states that “VoIP services that include inbound calling from the PSTN are inevitably geographically sensitive.”<sup>13</sup> Additionally, SBC asserts that dial-up numbers for ISPs are geographically based.<sup>14</sup> It contends that ISPs use the area code designation to associate the dial-up number with the customer.<sup>15</sup>

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<sup>10</sup> CCTA Comments, p. 4.

<sup>11</sup> AT&T Comments, p. 17.

<sup>12</sup> *Id.* at p. 18.

<sup>13</sup> Comments of MCI, p. 3.

<sup>14</sup> Comments of SBC Communications, Inc., p. 4.

<sup>15</sup> *Id.*

The claim of geographic sensitivity for VoIP traffic seems to be misplaced.

While it is correct that an *in-bound* VoIP call likely originates on the PSTN, that does not make the call “geographically-sensitive.” VoIP providers, in marketing their services, advertise the availability of geographically remote telephone numbers as a unique advantage to the service. Thus, a VoIP customer could reside in Atlanta but obtain a VoIP number in the 415 area code, which is in California. The industry trumpets the very *absence* of geographic sensitivity as an attractive service option. Yet, in comments here, VoIP providers contend that their service is, in fact, geographically based. Further, SBC’s claim that dial-up numbers for the service is irrelevant. It would be the end user’s telephone number that the CPUC would consider putting into the SO, not the dial-up number to reach the service provider. The dial-up number may not even be affected, if it is already assigned in an existing area code.

Finally, it is California’s observation that much of the claim from VoIP providers that customers have some sort of geographic association with a particular number has to do with customer preference, and not with technical impediments. While the CPUC recognizes that customer convenience and preference are important from a marketing standpoint, we urge the FCC to consider that other critical public policy considerations must be weighed as well in determining whether VoIP providers should be allowed to assign geographically disparate numbers, as they do.

#### **E. Take-Backs**

A number of commenters strongly object to taking back numbers on a retroactive basis. Specifically, OnStar asserts that the CPUC should not take-back numbers because

it would impose significant costs on carriers.<sup>16</sup> It contends that take-backs would require OnStar to re-provision all of its transceiver units and would cause a huge inconvenience on its customers. AT&T similarly contends that take-backs would impose unwarranted costs on carriers and consumers.<sup>17</sup>

In our SO Petition, we request authority to take back all transparent or non-geographic based numbers on a retroactive basis. However, because we understand that there are a number of technical challenges and costs associated with implementing the take-backs, it is not clear at this time whether the CPUC would, in fact, elect to take back numbers. We plan to work closely with the industry to carefully evaluate all of the issues associated with the take-backs before deciding whether and to what take backs should be implemented.

**F. The CPUC's SO Proposal Is Not Premature.**

A number of commenters assert that the CPUC's SO proposal is premature and overbroad. Specifically, CCTA asserts that over one-half of California's twenty-five area codes are not nearing exhaust. It asserts that only three of California's 25 area codes are nearing exhaustion and qualify for area code relief.<sup>18</sup> It further states that only one area code, the 714 NPA, meets the FCC's criteria for a SO.<sup>19</sup> AT&T states that California's proposed service overlays go far beyond what is required to avoid numbering exhaust.<sup>20</sup>

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<sup>16</sup> OnStar Comments, p. 4.

<sup>17</sup> AT&T Comments, p. 19.

<sup>18</sup> CCTA Comments, p. 6.

<sup>19</sup> CCTA Comments, p. 7.

<sup>20</sup> AT&T Comments, p. 7.

Small LECs state that the “overlays sought by the CPUC’s petition are far broader than necessary to achieve the state’s goals.”<sup>21</sup>

We recognize that a number of area codes in California are not nearing exhaust. However, by including all existing area codes in California into our SO proposal, and not limiting the SOs to only those area codes nearing exhaust, it is our intent to further prolong the lives of as many as area codes as possible, which the FCC encourages. In the *Third Report and Order*, the FCC specifically held that “SOs that cover more than one area code are superior from a numbering resource optimization perspective they would reduce the demand for numbers in multiple area codes, and the increased number of subscribers in the SO would lead to better utilization of numbering resources in the SO NPA.”<sup>22</sup> Thus, our SO proposal is consistent with the FCC’s numbering policies by opening up two area codes now instead of possibly opening up to 25 area codes when those area codes exhaust in the future. Thereby, our SO proposal is actually helping to prolong the life of the NANP.

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<sup>21</sup> Small LECs Comments, p. 3. Small LECs include Calaveras, Cal-Ore, Ducor, Evans, Foresthill, Happy Valley, Hornitos, Kerman, Pinnacles, The Ponderosa, Sierra, The Siskiyou, Volcano and Winderhaven Telephone Companies.

<sup>22</sup> *Third Report and Order and Second Order on Reconsideration*, CC Docket No. 96-98 and CC Docket No. 99-200, (2001). ¶ 83.



### III. CONCLUSION

For all of the foregoing reasons, the FCC should grant the CPUC authority to implement two specialized overlays in California, which include all transparent, non-geographic based services, with the exception of wireless/cellular services.

Respectfully submitted,

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